

Recurring Cost Summary

Primary Res. and Single Line Bus.

**South Carolina
2-Wire Voice Grade Loop**

| <u>Description</u> | <u>Volume Sensitive</u> | | | <u>Volume Insensitive</u> | | |
|--|-------------------------|------------------------|-------------------------|---------------------------|------------------------|-------------------------|
| | <u>Direct Cost</u> | <u>Shared Cost</u> | <u>Dir. & Shrd.</u> | <u>Direct Cost</u> | <u>Shared Cost</u> | <u>Dir. & Shrd.</u> |
| Recurring Cost Development Reports | \$19.9119 | \$1.9793 | \$21.8912 | \$0.0000 | \$0.0000 | \$0.0000 |
| LABOR EXPENSES: | | | | | | |
| OTHER EXPENSES: | | | | | | |
| Subscriber Line Testing | \$0.2915 | \$0.0000 | \$0.2915 | \$0.0000 | \$0.0000 | \$0.0000 |
| Total Monthly Cost Per Access Line - NTW | <u>\$0.0958</u> | <u>\$0.0000</u> | <u>\$0.0958</u> | <u>\$0.0000</u> | <u>\$0.0000</u> | <u>\$0.0000</u> |
| Total Monthly Cost | <u>\$20.2992</u> | <u>\$1.9793</u> | <u>\$22.2785</u> | <u>\$0.0000</u> | <u>\$0.0000</u> | <u>\$0.0000</u> |
| Gross Receipts Tax Factor | | | X 1.0000 | | | X 1.0000 |
| Cost (Including Gross Receipts Tax) | | | <u>\$22.2785</u> | | | <u>\$0.0000</u> |
| Common Cost Factor | | | X 1.0000 | | | X 1.0000 |
| Monthly Economic Cost | | | <u>\$22.2785</u> | | | <u>\$0.0000</u> |

Total Monthly Economic Cost: \$22.2785

Investment Development - Volume Sensitive

Primary Res. and Single Line Bus.

**South Carolina
2-Wire Voice Grade Loop**

| | | | A | B | C=AxB | D1 | D2 | D3 | D4 | D5 | E=Cx(D1xD2 x...xD5) | F | G=ExF |
|--|------|------------|-----------|---------------------|----------------------|--------------------------------|--------|--------|---------|----------|------------------------|--|---------------------|
| | | | | | | In-Plant Factors (Default = 1) | | | | | | | |
| | | | | | | Plug-in Inventory | Mat'l | Telco | Plug-in | Hardwire | | Supporting Equipment &/or Power Loading | Total Investment |
| Description | FRC | Sub FRC | Material | Inflation Factor | Adjusted Material | Factor | Factor | Factor | Factor | Factor | In-Plant Investment | | |
| Aerial Ca - Metal - Building Entrance | 12C | 00 | \$0.0033 | 1.1254 | \$0.0037 | NA | 4.5770 | NA | NA | NA | \$0.0171 | NA | \$0.0171 |
| Aerial Ca - Metal - Building Entrance 24-Guage | 12C4 | 00 | \$0.0069 | 1.1254 | \$0.0078 | NA | 4.5770 | NA | NA | NA | \$0.0356 | NA | \$0.0356 |
| Aerial Ca - Metal | 22C | 00 | \$4.1882 | 1.1254 | \$4.7136 | NA | 5.5451 | NA | NA | NA | \$26.1372 | NA | \$26.1372 |
| Aerial Ca - Metal - Drop | 22C | 01 | \$18.3418 | 1.1254 | \$20.6426 | NA | NA | NA | NA | NA | \$20.6426 | NA | \$20.6426 |
| Aerial Ca - Metal 24-Guage | 22C4 | 00 | \$28.4901 | 1.1254 | \$32.0640 | NA | 5.5451 | NA | NA | NA | \$177.7969 | NA | \$177.7969 |
| Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP | 257C | 03 | \$6.4436 | 0.9800 | \$6.3148 | NA | NA | NA | NA | 2.4993 | \$15.7826 | 1.0410 | \$16.4294 |
| Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP | 257C | 06 | \$25.1046 | 0.9800 | \$24.6025 | NA | NA | NA | 1.1412 | NA | \$28.0755 | 1.0410 | \$29.2260 |
| Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock | 257C | 12 | \$7.8322 | 0.9800 | \$7.6756 | NA | NA | NA | 1.1412 | NA | \$8.7591 | 1.0410 | \$9.1180 |
| Digitl Circ - Pair Gain - Prem - Hardwired - Power Only | 257C | 19 | \$0.0023 | 0.9800 | \$0.0023 | NA | NA | NA | NA | 2.4993 | \$0.0056 | 1.0389 | \$0.0058 |
| Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only | 257C | 22 | \$0.0050 | 0.9800 | \$0.0049 | NA | NA | NA | 1.1412 | NA | \$0.0056 | 1.0389 | \$0.0058 |
| Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock | 257C | 28 | \$0.0181 | 0.9800 | \$0.0177 | NA | NA | NA | 1.1412 | NA | \$0.0202 | 1.0389 | \$0.0210 |
| Digitl Circ - Pair Gain - Remote - Hardwired - Power Only | 257C | 37 | \$53.8989 | 0.9800 | \$52.8210 | NA | NA | NA | NA | 2.4993 | \$132.0167 | 1.0389 | \$137.1495 |
| Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only | 257C | 40 | \$41.9523 | 0.9800 | \$41.1133 | NA | NA | NA | 1.1412 | NA | \$46.9170 | 1.0389 | \$48.7411 |
| Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock | 257C | 46 | \$35.1073 | 0.9800 | \$34.4051 | NA | NA | NA | 1.1412 | NA | \$39.2619 | 1.0389 | \$40.7884 |
| Digital Elec Switch - MDF | 377C | 05 | \$3.3800 | 1.0338 | \$3.4941 | NA | 1.3042 | NA | NA | NA | \$4.5572 | 1.1070 | \$5.0449 |
| Buried Ca - Metal | 45C | 00 | \$7.3405 | 1.1037 | \$8.1014 | NA | 5.5256 | NA | NA | NA | \$44.7649 | NA | \$44.7649 |
| Buried Ca - Metal - Drop | 45C | 01 | \$47.3155 | 1.1037 | \$52.2201 | NA | NA | NA | NA | NA | \$52.2201 | NA | \$52.2201 |
| Buried Ca - Metal 24-Guage | 45C4 | 00 | \$47.7588 | 1.1037 | \$52.7094 | NA | 5.5256 | NA | NA | NA | \$291.2495 | NA | \$291.2495 |
| Intrblid Network - Metal | 52C | 00 | \$0.6194 | 1.1325 | \$0.7015 | NA | 5.2451 | NA | NA | NA | \$3.6792 | NA | \$3.6792 |
| Intrblid Network - Metal 24-Guage | 52C4 | 00 | \$0.0668 | 1.1325 | \$0.0756 | NA | 5.2451 | NA | NA | NA | \$0.3965 | NA | \$0.3965 |
| Underground Ca - Metal | 5C | 00 | \$3.5894 | 1.1325 | \$4.0649 | NA | 3.2116 | NA | NA | NA | \$13.0547 | NA | \$13.0547 |
| Underground Ca - Metal 24-Guage | 5C4 | 00 | \$5.6670 | 1.1325 | \$6.4177 | NA | 3.2116 | NA | NA | NA | \$20.6110 | NA | \$20.6110 |
| Aerial Ca - Fiber - Building Entrance | 812C | 00 | \$0.0000 | 1.0235 | \$0.0000 | NA | 1.5563 | NA | NA | NA | \$0.0000 | NA | \$0.0000 |
| Aerial Ca - Fiber | 822C | 00 | \$6.8518 | 1.0235 | \$7.0126 | NA | 2.4188 | NA | NA | NA | \$16.9619 | NA | \$16.9619 |
| Buried Ca - Fiber | 845C | 00 | \$7.5666 | 1.0578 | \$8.0040 | NA | 5.5551 | NA | NA | NA | \$44.4632 | NA | \$44.4632 |
| Underground Ca - Fiber | 85C | 00 | \$1.6982 | 0.9933 | \$1.6868 | NA | 1.8985 | NA | NA | NA | \$3.2024 | NA | \$3.2024 |
| | | | | | | | | | | | \$990.6346 | | \$1,001.7630 |

**South Carolina
2-Wire Voice Grade Loop**

| | | A | B=AxFactor | C=AxFactor | D=AxFactor | E=AxFactor | F=AxFactor | I=(B+C+D +E+F) |
|---------------------------------------|------|------------|--------------------------|-------------------|-----------------|---------------------------------|------------|-------------------|
| Description | FRC | Investment | Depreciation & Factor | Cost of | Income | Plant | Ad Valorem | Direct |
| | | | | Money & Factor | Tax & Factor | Specific Expense & Factor | | |
| Buildings - COE | 10C | \$38.9883 | \$0.8173 | \$3.4822 | \$1.6518 | \$2.6780 | \$0.5161 | \$9.1454 |
| | | | 0.0210 | 0.0893 | 0.0424 | 0.0687 | 0.0132 | |
| Aerial Ca - Metal - Building Entrance | 12C | \$0.0527 | \$0.0041 | \$0.0035 | \$0.0017 | \$0.0014 | \$0.0007 | \$0.0114 |
| | | | 0.0775 | 0.0669 | 0.0317 | 0.0275 | 0.0132 | |
| Poles | 1C | \$71.3795 | \$3.1303 | \$5.1600 | \$2.4477 | \$1.0220 | \$0.9449 | \$12.7050 |
| | | | 0.0439 | 0.0723 | 0.0343 | 0.0143 | 0.0132 | |
| Land - COE | 20C | \$1.9549 | \$0.0000 | \$0.2199 | \$0.1043 | \$0.0000 | \$0.0259 | \$0.3501 |
| | | | 0.0000 | 0.1125 | 0.0534 | 0.0000 | 0.0132 | |
| Aerial Ca - Metal | 22C | \$203.9342 | \$15.8017 | \$13.6349 | \$6.4679 | \$5.6090 | \$2.6997 | \$44.2133 |
| | | | 0.0775 | 0.0669 | 0.0317 | 0.0275 | 0.0132 | |
| Aerial Ca - Metal - Drop | 22C | \$20.6426 | \$1.5995 | \$1.3802 | \$0.6547 | \$0.5678 | \$0.2733 | \$4.4754 |
| | | | 0.0775 | 0.0669 | 0.0317 | 0.0275 | 0.0132 | |
| Digitl Circ - Pair Gain | 257C | \$281.4851 | \$31.6060 | \$13.8155 | \$6.5536 | \$6.1810 | \$3.7264 | \$61.8825 |
| | | | 0.1123 | 0.0491 | 0.0233 | 0.0220 | 0.0132 | |
| Digital Elec Switch | 377C | \$5.0449 | \$0.4975 | \$0.2590 | \$0.1229 | \$0.1682 | \$0.0668 | \$1.1143 |
| | | | 0.0986 | 0.0513 | 0.0244 | 0.0333 | 0.0132 | |
| Buried Ca - Metal | 45C | \$336.0145 | \$24.1549 | \$22.6783 | \$10.7578 | \$8.5572 | \$4.4482 | \$70.5963 |
| | | | 0.0719 | 0.0675 | 0.0320 | 0.0255 | 0.0132 | |
| Buried Ca - Metal - Drop | 45C | \$52.2201 | \$3.7539 | \$3.5244 | \$1.6719 | \$1.3299 | \$0.6913 | \$10.9714 |
| | | | 0.0719 | 0.0675 | 0.0320 | 0.0255 | 0.0132 | |
| Conduit Systems | 4C | \$32.2680 | \$0.3814 | \$2.6561 | \$1.2599 | \$0.0618 | \$0.4272 | \$4.7864 |

**South Carolina
2-Wire Voice Grade Loop**

| | | A | B=AxFactor | C=AxFactor | D=AxFactor | E=AxFactor | F=AxFactor | I=(B+C+D +E+F) |
|---------------------------------------|------------|---------------------|--------------------------------------|---|--|--|--|------------------------|
| <u>Description</u> | <u>FRC</u> | <u>Investment</u> | <u>Depreciation & Factor</u> | <u>Cost of Money & Factor</u> | <u>Income Tax & Factor</u> | <u>Plant Specific Expense & Factor</u> | <u>Ad Valorem Expense & Factor</u> | <u>Direct Cost</u> |
| | | | 0.0118 | 0.0823 | 0.0390 | 0.0019 | 0.0132 | |
| Intrbld Network - Metal | 52C | \$4.0757 | \$0.2358 | \$0.2712 | \$0.1287 | \$0.0083 | \$0.0540 | \$0.6980 |
| | | | 0.0579 | 0.0665 | 0.0316 | 0.0020 | 0.0132 | |
| Underground Ca - Metal | 5C | \$33.6657 | \$2.6453 | \$2.2489 | \$1.0668 | \$0.5255 | \$0.4457 | \$6.9322 |
| | | | 0.0786 | 0.0668 | 0.0317 | 0.0156 | 0.0132 | |
| Aerial Ca - Fiber - Building Entrance | 812C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0600 | 0.0665 | 0.0316 | 0.0050 | 0.0132 | |
| Aerial Ca - Fiber | 822C | \$16.9619 | \$1.0172 | \$1.1288 | \$0.5354 | \$0.0854 | \$0.2245 | \$2.9913 |
| | | | 0.0600 | 0.0665 | 0.0316 | 0.0050 | 0.0132 | |
| Buried Ca - Fiber | 845C | \$44.4632 | \$2.4560 | \$2.9903 | \$1.4185 | \$0.0608 | \$0.5886 | \$7.5143 |
| | | | 0.0552 | 0.0673 | 0.0319 | 0.0014 | 0.0132 | |
| Underground Ca - Fiber | 85C | \$3.2024 | \$0.1835 | \$0.2120 | \$0.1006 | \$0.0171 | \$0.0424 | \$0.5555 |
| | | | 0.0573 | 0.0662 | 0.0314 | 0.0053 | 0.0132 | |
| | | <u>\$1,146.3536</u> | | | | | | <u>\$238.9429</u> |
| Monthly Cost(Total / 12): | | | | | | | | \$19.9119 |

**South Carolina
2-Wire Voice Grade Loop**

| | | A | B=Prev Rpt Col I | C | D=AxC | E=B+D |
|---------------------------------------|------------|-------------------|------------------------|-----------------------------------|------------------------|------------------------|
| <u>Description</u> | <u>FRC</u> | <u>Investment</u> | <u>Direct Cost</u> | <u>Shared Cost Factor</u> | <u>Shared Cost</u> | <u>ir. & Shrd.</u> |
| Buildings - COE | 10C | \$38.9883 | \$9.1454 | 0.0001 | \$0.0042 | \$9.1496 |
| Aerial Ca - Metal - Building Entrance | 12C | \$0.0527 | \$0.0114 | 0.0277 | \$0.0015 | \$0.0129 |
| Poles | 1C | \$71.3795 | \$12.7050 | 0.0137 | \$0.9801 | \$13.6851 |
| Land - COE | 20C | \$1.9549 | \$0.3501 | 0.0000 | \$0.0000 | \$0.3501 |
| Aerial Ca - Metal | 22C | \$203.9342 | \$44.2133 | 0.0277 | \$5.6450 | \$49.8583 |
| Aerial Ca - Metal - Drop | 22C | \$20.6426 | \$4.4754 | 0.0277 | \$0.5714 | \$5.0468 |
| Digtl Circ - Pair Gain | 257C | \$281.4851 | \$61.8825 | 0.0171 | \$4.8176 | \$66.7001 |
| Digital Elec Switch | 377C | \$5.0449 | \$1.1143 | 0.0167 | \$0.0842 | \$1.1985 |
| Buried Ca - Metal | 45C | \$336.0145 | \$70.5963 | 0.0246 | \$8.2512 | \$78.8476 |
| Buried Ca - Metal - Drop | 45C | \$52.2201 | \$10.9714 | 0.0246 | \$1.2823 | \$12.2537 |
| Conduit Systems | 4C | \$32.2680 | \$4.7864 | 0.0098 | \$0.3164 | \$5.1028 |

**South Carolina
2-Wire Voice Grade Loop**

| | | A | B=Prev Rpt Col I | C | D=AxC | E=B+D |
|---------------------------------------|------------|-------------------|------------------------|-----------------------------------|------------------------|------------------------|
| <u>Description</u> | <u>FRC</u> | <u>Investment</u> | <u>Direct Cost</u> | <u>Shared Cost Factor</u> | <u>Shared Cost</u> | <u>ir. & Shrd.</u> |
| Intrbld Network - Metal | 52C | \$4.0757 | \$0.6980 | 0.0135 | \$0.0549 | \$0.7530 |
| Underground Ca - Metal | 5C | \$33.6657 | \$6.9322 | 0.0191 | \$0.6425 | \$7.5747 |
| Aerial Ca - Fiber - Building Entrance | 812C | \$0.0000 | \$0.0000 | 0.0219 | \$0.0000 | \$0.0000 |
| Aerial Ca - Fiber | 822C | \$16.9619 | \$2.9913 | 0.0219 | \$0.3707 | \$3.3619 |
| Buried Ca - Fiber | 845C | \$44.4632 | \$7.5143 | 0.0151 | \$0.6729 | \$8.1872 |
| Underground Ca - Fiber | 85C | \$3.2024 | \$0.5555 | 0.0177 | \$0.0565 | \$0.6120 |
| | | \$1,146.3536 | \$238.9429 | | \$23.7514 | \$262.6943 |
| Monthly Costs (Total / 12): | | | \$19.9119 | | \$1.9793 | \$21.8912 |

11/6/2001

Recurring Cost Summary

Primary Res. and Single Line Bus.

South Carolina Exchange Port - 2-Wire Line Port

| <u>Description</u> | <u>Volume Sensitive</u> | | | <u>Volume Insensitive</u> | | |
|-------------------------------------|-------------------------|------------------------|-------------------------|---------------------------|------------------------|-------------------------|
| | <u>Direct Cost</u> | <u>Shared Cost</u> | <u>Dir. & Shrd.</u> | <u>Direct Cost</u> | <u>Shared Cost</u> | <u>Dir. & Shrd.</u> |
| Recurring Cost Development Reports | \$1.3104 | \$0.0862 | \$1.3966 | \$0.0845 | \$0.0000 | \$0.0845 |
| LABOR EXPENSES: | | | | | | |
| OTHER EXPENSES: | | | | | | |
| Total Monthly Cost | <u>\$1.3104</u> | <u>\$0.0862</u> | <u>\$1.3966</u> | <u>\$0.0845</u> | <u>\$0.0000</u> | <u>\$0.0845</u> |
| Gross Receipts Tax Factor | | X | <u>1.0000</u> | | X | <u>1.0000</u> |
| Cost (Including Gross Receipts Tax) | | | <u>\$1.3966</u> | | | <u>\$0.0845</u> |
| Common Cost Factor | | X | <u>1.0000</u> | | X | <u>1.0000</u> |
| Monthly Economic Cost | | | <u>\$1.3966</u> | | | <u>\$0.0845</u> |

Total Monthly Economic Cost: \$1.4810

11/6/2001

Investment Development - Volume Sensitive

Primary Res and Single Line Bus

South Carolina
Exchange Port - 2-Wire Line Port

| | | A | B | C=AxB | D1 | D2 | D3 | D4 | D5 | E=Cx(D1xD2 x...xD5) | F | G=ExF | |
|---|------|--------------------------------|-----------|---------------------|----------------------|--------------------------------|-----------------|-----------------|-------------------|------------------------|------------------------|--|---------------------|
| | | In-Plant Factors (Default = 1) | | | | | | | | | | Supporting Equipment &/or Power Loading | Total Investment |
| Description | FRC | Sub FRC | Material | Inflation Factor | Adjusted Material | Plug-in Inventory Factor | Mat'l Factor | Telco Factor | Plug-in Factor | Hardwire Factor | In-Plant Investment | | |
| Digital Elec Switch - Vendor EF&I - MCEP | 377C | 03 | \$48.1848 | 1.0338 | \$49.8120 | NA | NA | 1.1226 | NA | NA | \$55.9195 | 1.1070 | \$61.9031 |
| Digital Elec Switch - MDF | 377C | 05 | \$0.0000 | 1.0338 | \$0.0000 | NA | 1.3042 | NA | NA | NA | \$0.0000 | 1.1070 | \$0.0000 |
| Intangibles - Network Switch Software RTU | 560C | 00 | \$0.0000 | NA | \$0.0000 | NA | NA | NA | NA | NA | \$0.0000 | NA | \$0.0000 |
| | | | | | | | | | | | \$55.9195 | | \$61.9031 |

11/6/2001

Land, Building, Pole, and Conduit Investment Development - Volume Sensitive

Primary Res and Single Line Bus

South Carolina
Exchange Port - 2-Wire Line Port

A=Prev Page
Col G

B

C=AxB

D

E=AxD

F

G=AxF

H

I=AxH

| <u>Description</u> | <u>FRC</u> | <u>Sub FRC</u> | <u>Investment</u> | <u>Land Factor</u> | <u>Land Investment</u> | <u>Building Factor</u> | <u>Building Investment</u> | <u>Pole Factor</u> | <u>Pole Investment</u> | <u>Conduit Factor</u> | <u>Conduit Investment</u> |
|---|------------|----------------|-------------------|--------------------|------------------------|------------------------|----------------------------|--------------------|------------------------|-----------------------|---------------------------|
| Digital Elec Switch - Vendor EF&I - MCEP | 377C | 03 | \$61.9031 | 0.0068 | \$0.4224 | 0.1361 | \$8.4242 | NA | \$0.0000 | NA | \$0.0000 |
| Digital Elec Switch - MDF | 377C | 05 | \$0.0000 | 0.0068 | \$0.0000 | 0.1361 | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Intangibles - Network Switch Software RTU | 560C | 00 | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| | | | | FRC 20C: | \$0.4224 | FRC 10C: | \$8.4242 | FRC 1C: | \$0.0000 | FRC 4C: | \$0.0000 |

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus

South Carolina
Exchange Port - 2-Wire Line Port

| | | A | B=AxFactor | C=AxFactor | D=AxFactor | E=AxFactor | F=AxFactor | I=(B+C+D +E+F) |
|---|------------|-------------------|--------------------------------------|---|--|--|--|------------------------|
| | | | | | | Plant | | |
| <u>Description</u> | <u>FRC</u> | <u>Investment</u> | <u>Depreciation & Factor</u> | <u>Cost of Money & Factor</u> | <u>Income Tax & Factor</u> | <u>Specific Expense & Factor</u> | <u>Ad Valorem Expense & Factor</u> | <u>Direct Cost</u> |
| Buildings - COE | 10C | \$8.4242 | \$0.1766 | \$0.7524 | \$0.3569 | \$0.5786 | \$0.1115 | \$1.9760 |
| | | | 0.0210 | 0.0893 | 0.0424 | 0.0687 | 0.0132 | |
| Poles | 1C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0439 | 0.0723 | 0.0343 | 0.0143 | 0.0132 | |
| Land - COE | 20C | \$0.4224 | \$0.0000 | \$0.0475 | \$0.0225 | \$0.0000 | \$0.0056 | \$0.0756 |
| | | | 0.0000 | 0.1125 | 0.0534 | 0.0000 | 0.0132 | |
| Digital Elec Switch | 377C | \$61.9031 | \$6.1042 | \$3.1783 | \$1.5077 | \$2.0639 | \$0.8195 | \$13.6735 |
| | | | 0.0986 | 0.0513 | 0.0244 | 0.0333 | 0.0132 | |
| Conduit Systems | 4C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0118 | 0.0823 | 0.0390 | 0.0019 | 0.0132 | |
| Intangibles - Network Switch Software RTU | 560C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.3333 | 0.0525 | 0.0249 | NA | 0.0132 | |
| | | <u>\$70.7497</u> | | | | | | <u>\$15.7252</u> |
| Monthly Cost(Total / 12): | | | | | | | | \$1.3104 |

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**South Carolina
Exchange Port - 2-Wire Line Port**

| | | A | B=Prev Rpt Col I | C | D=AxC | E=B+D |
|---|------------|-------------------|------------------------|-----------------------------------|------------------------|------------------------|
| <u>Description</u> | <u>FRC</u> | <u>Investment</u> | <u>Direct Cost</u> | <u>Shared Cost Factor</u> | <u>Shared Cost</u> | <u>ir. & Shrd.</u> |
| Buildings - COE | 10C | \$8.4242 | \$1.9760 | 0.0001 | \$0.0009 | \$1.9769 |
| Poles | 1C | \$0.0000 | \$0.0000 | 0.0137 | \$0.0000 | \$0.0000 |
| Land - COE | 20C | \$0.4224 | \$0.0756 | 0.0000 | \$0.0000 | \$0.0756 |
| Digital Elec Switch | 377C | \$61.9031 | \$13.6735 | 0.0167 | \$1.0330 | \$14.7065 |
| Conduit Systems | 4C | \$0.0000 | \$0.0000 | 0.0098 | \$0.0000 | \$0.0000 |
| Intangibles - Network Switch Software RTU | 560C | \$0.0000 | \$0.0000 | NA | \$0.0000 | \$0.0000 |
| | | <u>\$70.7497</u> | <u>\$15.7252</u> | | <u>\$1.0339</u> | <u>\$16.7591</u> |
| Monthly Costs (Total / 12): | | | \$1.3104 | | \$0.0862 | \$1.3966 |

11/6/2001

Investment Development - Volume Insensitive

Primary Res. and Single Line Bus

South Carolina
Exchange Port - 2-Wire Line Port

| | | A | B | C=AxB | D1 | D2 | D3 | D4 | D5 | E=Cx(D1xD2 x...xD5) | F | G=ExF | |
|---|------|--------------------------------|----------|---------------------|----------------------|--------------------------------|-----------------|-----------------|-------------------|------------------------|------------------------|--|---------------------|
| | | In-Plant Factors (Default = 1) | | | | | | | | | | Supporting Equipment &/or Power Loading | Total Investment |
| Description | FRC | Sub FRC | Material | Inflation Factor | Adjusted Material | Plug-in Inventory Factor | Mat'l Factor | Telco Factor | Plug-in Factor | Hardwire Factor | In-Plant Investment | | |
| Digital Elec Switch - Vendor EF&I - MCEP | 377C | 03 | \$0.0000 | 1.0338 | \$0.0000 | NA | NA | 1.1226 | NA | NA | \$0.0000 | 1.1070 | \$0.0000 |
| Digital Elec Switch - MDF | 377C | 05 | \$0.0000 | 1.0338 | \$0.0000 | NA | 1.3042 | NA | NA | NA | \$0.0000 | 1.1070 | \$0.0000 |
| Intangibles - Network Switch Software RTU | 560C | 00 | \$2.3904 | NA | \$2.3904 | NA | NA | NA | NA | NA | \$2.3904 | NA | \$2.3904 |
| | | | | | | | | | | | \$2.3904 | | \$2.3904 |

11/6/2001

Land, Building, Pole, and Conduit Investment Development - Volume Insensitive

Primary Res and Single Line Bus

South Carolina
Exchange Port - 2-Wire Line Port

| | | | A=Prev Page Col G | B | C=AxB | D | E=AxD | F | G=AxF | H | I=AxH |
|---|------------|--------------------|----------------------|------------------------|----------------------------|----------------------------|--------------------------------|------------------------|----------------------------|---------------------------|-------------------------------|
| <u>Description</u> | <u>FRC</u> | <u>Sub FRC</u> | <u>Investment</u> | <u>Land Factor</u> | <u>Land Investment</u> | <u>Building Factor</u> | <u>Building Investment</u> | <u>Pole Factor</u> | <u>Pole Investment</u> | <u>Conduit Factor</u> | <u>Conduit Investment</u> |
| Digital Elec Switch - Vendor EF&I - MCEP | 377C | 03 | \$0.0000 | 0.0068 | \$0.0000 | 0.1361 | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Digital Elec Switch - MDF | 377C | 05 | \$0.0000 | 0.0068 | \$0.0000 | 0.1361 | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Intangibles - Network Switch Software RTU | 560C | 00 | \$2.3904 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| | | | | FRC 20C: | <u>\$0.0000</u> | FRC 10C: | <u>\$0.0000</u> | FRC 1C: | <u>\$0.0000</u> | FRC 4C: | <u>\$0.0000</u> |

11/6/2001

Recurring Direct Cost Development - Volume Insensitive

Primary Res. and Single Line Bus.

**South Carolina
Exchange Port - 2-Wire Line Port**

| | | A | B=AxFactor | C=AxFactor | D=AxFactor | E=AxFactor | F=AxFactor | I=(B+C+D +E+F) |
|---|------|-----------------|--------------------------|------------------------------|---------------------------|--|-----------------------------------|-------------------|
| | | | | | | Plant Specific Expense & Factor | Ad Valorem Expense & Factor | |
| Description | FRC | Investment | Depreciation & Factor | Cost of Money & Factor | Income Tax & Factor | | | Direct Cost |
| Land - COE | 20C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0000 | 0.1125 | 0.0534 | 0.0000 | 0.0132 | |
| Buildings - COE | 10C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0210 | 0.0893 | 0.0424 | 0.0687 | 0.0132 | |
| Poles | 1C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0439 | 0.0723 | 0.0343 | 0.0143 | 0.0132 | |
| Conduit Systems | 4C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0118 | 0.0823 | 0.0390 | 0.0019 | 0.0132 | |
| Digital Elec Switch | 377C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0986 | 0.0513 | 0.0244 | 0.0333 | 0.0132 | |
| Intangibles - Network Switch Software RTU | 560C | \$2.3904 | \$0.7968 | \$0.1255 | \$0.0595 | \$0.0000 | \$0.0316 | \$1.0135 |
| | | | 0.3333 | 0.0525 | 0.0249 | NA | 0.0132 | |
| | | <u>\$2.3904</u> | | | | | | <u>\$1.0135</u> |
| Monthly Cost(Total / 12): | | | | | | | | \$0.0845 |

11/6/2001

Recurring Cost Development - Volume Insensitive

Primary Res. and Single Line Bus

South Carolina
Exchange Port - 2-Wire Line Port

| | | A | B=Prev Rpt Col I | C | D=AxC | E=B+D |
|---|------------|-------------------|---------------------|---------------|-------------|------------------------|
| | | | | | | |
| | | | | Shared | | |
| | | | Direct | Cost | Shared | |
| <u>Description</u> | <u>FRC</u> | <u>Investment</u> | <u>Cost</u> | <u>Factor</u> | <u>Cost</u> | <u>ir. & Shrd.</u> |
| Land - COE | 20C | \$0.0000 | \$0.0000 | 0.0000 | \$0.0000 | \$0.0000 |
| Buildings - COE | 10C | \$0.0000 | \$0.0000 | 0.0001 | \$0.0000 | \$0.0000 |
| Poles | 1C | \$0.0000 | \$0.0000 | 0.0137 | \$0.0000 | \$0.0000 |
| Conduit Systems | 4C | \$0.0000 | \$0.0000 | 0.0098 | \$0.0000 | \$0.0000 |
| Digital Elec Switch | 377C | \$0.0000 | \$0.0000 | 0.0167 | \$0.0000 | \$0.0000 |
| Intangibles - Network Switch Software RTU | 560C | \$2.3904 | \$1.0135 | NA | \$0.0000 | \$1.0135 |
| | | \$2.3904 | \$1.0135 | | \$0.0000 | \$1.0135 |
| Monthly Costs (Total / 12): | | | \$0.0845 | | \$0.0000 | \$0.0845 |

Recurring Cost Summary

Primary Res. and Single Line Bus.

Tennessee
2-Wire Voice Grade Loop

Volume SensitiveVolume Insensitive

| <u>Description</u> | <u>Direct Cost</u> | <u>Shared Cost</u> | <u>Dir. & Shrd.</u> | <u>Direct Cost</u> | <u>Shared Cost</u> | <u>Dir. & Shrd.</u> |
|--|------------------------|------------------------|-------------------------|------------------------|------------------------|-------------------------|
| Recurring Cost Development Reports | \$17.6625 | \$1.7371 | \$19.3996 | \$0.0000 | \$0.0000 | \$0.0000 |
| LABOR EXPENSES: | | | | | | |
| OTHER EXPENSES: | | | | | | |
| Subscriber Line Testing | \$0.2061 | \$0.0000 | \$0.2061 | \$0.0000 | \$0.0000 | \$0.0000 |
| Total Monthly Cost Per Access Line - NTW | <u>\$0.1301</u> | <u>\$0.0000</u> | <u>\$0.1301</u> | <u>\$0.0000</u> | <u>\$0.0000</u> | <u>\$0.0000</u> |
| Total Monthly Cost | <u>\$17.9987</u> | <u>\$1.7371</u> | <u>\$19.7358</u> | <u>\$0.0000</u> | <u>\$0.0000</u> | <u>\$0.0000</u> |
| Gross Receipts Tax Factor | | | X 1.0000 | | | X 1.0000 |
| Cost (Including Gross Receipts Tax) | | | <u>\$19.7358</u> | | | <u>\$0.0000</u> |
| Common Cost Factor | | | X 1.0000 | | | X 1.0000 |
| Monthly Economic Cost | | | <u>\$19.7358</u> | | | <u>\$0.0000</u> |

Total Monthly Economic Cost: \$19.7358

Investment Development - Volume Sensitive

Primary Res. and Single Line Bus.

Tennessee
2-Wire Voice Grade Loop

| Description | A | | B | C=AxB | D1 | D2 | D3 | D4 | D5 | E=Cx(D1xD2 x...xD5) | F | G=ExF | |
|--|--------------------------------|------------|-----------|---------------------|----------------------|--------------------------------|-----------------|-----------------|-------------------|------------------------|------------------------|--|---------------------|
| | In-Plant Factors (Default = 1) | | | | | | | | | | | Supporting Equipment &/or Power Loading | Total Investment |
| | FRC | Sub FRC | Material | Inflation Factor | Adjusted Material | Plug-in Inventory Factor | Mat'l Factor | Telco Factor | Plug-in Factor | Hardware Factor | In-Plant Investment | | |
| | | | | | | | | | | | | | |
| Aerial Ca - Metal - Building Entrance | 12C | 00 | \$0.0037 | 1.1254 | \$0.0041 | NA | 4.5878 | NA | NA | NA | \$0.0189 | NA | \$0.0189 |
| Aerial Ca - Metal - Building Entrance 24-Guage | 12C4 | 00 | \$0.0056 | 1.1254 | \$0.0063 | NA | 4.5878 | NA | NA | NA | \$0.0287 | NA | \$0.0287 |
| Aerial Ca - Metal | 22C | 00 | \$4.1737 | 1.1254 | \$4.6972 | NA | 3.4998 | NA | NA | NA | \$16.4393 | NA | \$16.4393 |
| Aerial Ca - Metal - Drop | 22C | 01 | \$17.6107 | 1.1254 | \$19.8198 | NA | NA | NA | NA | NA | \$19.8198 | NA | \$19.8198 |
| Aerial Ca - Metal 24-Guage | 22C4 | 00 | \$27.9166 | 1.1254 | \$31.4185 | NA | 3.4998 | NA | NA | NA | \$109.9577 | NA | \$109.9577 |
| Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP | 257C | 03 | \$7.0689 | 0.9800 | \$6.9275 | NA | NA | NA | NA | 2.2180 | \$15.3653 | 1.0274 | \$15.7861 |
| Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP | 257C | 06 | \$27.8501 | 0.9800 | \$27.2931 | NA | NA | NA | 1.2061 | NA | \$32.9195 | 1.0274 | \$33.8211 |
| Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock | 257C | 12 | \$8.2589 | 0.9800 | \$8.0937 | NA | NA | NA | 1.2061 | NA | \$9.7622 | 1.0274 | \$10.0296 |
| Digitl Circ - Pair Gain - Prem - Hardwired - Power Only | 257C | 19 | \$0.0039 | 0.9800 | \$0.0038 | NA | NA | NA | NA | 2.2180 | \$0.0085 | 1.0251 | \$0.0087 |
| Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only | 257C | 22 | \$0.0082 | 0.9800 | \$0.0081 | NA | NA | NA | 1.2061 | NA | \$0.0097 | 1.0251 | \$0.0100 |
| Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock | 257C | 28 | \$0.0289 | 0.9800 | \$0.0283 | NA | NA | NA | 1.2061 | NA | \$0.0342 | 1.0251 | \$0.0350 |
| Digitl Circ - Pair Gain - Remote - Hardwired - Power Only | 257C | 37 | \$58.8698 | 0.9800 | \$57.6924 | NA | NA | NA | NA | 2.2180 | \$127.9614 | 1.0251 | \$131.1680 |
| Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only | 257C | 40 | \$46.9684 | 0.9800 | \$46.0290 | NA | NA | NA | 1.2061 | NA | \$55.5179 | 1.0251 | \$56.9091 |
| Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock | 257C | 46 | \$35.8407 | 0.9800 | \$35.1239 | NA | NA | NA | 1.2061 | NA | \$42.3646 | 1.0251 | \$43.4263 |
| Digital Elec Switch - MDF | 377C | 05 | \$3.3000 | 1.0338 | \$3.4114 | NA | 1.3120 | NA | NA | NA | \$4.4757 | 1.1146 | \$4.9884 |
| Buried Ca - Metal | 45C | 00 | \$7.6168 | 1.1037 | \$8.4064 | NA | 5.3455 | NA | NA | NA | \$44.9364 | NA | \$44.9364 |
| Buried Ca - Metal - Drop | 45C | 01 | \$45.1640 | 1.1037 | \$49.8456 | NA | NA | NA | NA | NA | \$49.8456 | NA | \$49.8456 |
| Buried Ca - Metal 24-Guage | 45C4 | 00 | \$44.7849 | 1.1037 | \$49.4272 | NA | 5.3455 | NA | NA | NA | \$264.2141 | NA | \$264.2141 |
| Intrbld Network - Metal | 52C | 00 | \$0.4959 | 1.1325 | \$0.5616 | NA | 3.9305 | NA | NA | NA | \$2.2074 | NA | \$2.2074 |
| Intrbld Network - Metal 24-Guage | 52C4 | 00 | \$0.0528 | 1.1325 | \$0.0598 | NA | 3.9305 | NA | NA | NA | \$0.2350 | NA | \$0.2350 |
| Underground Ca - Metal | 5C | 00 | \$4.4063 | 1.1325 | \$4.9901 | NA | 3.7576 | NA | NA | NA | \$18.7506 | NA | \$18.7506 |
| Underground Ca - Metal 24-Guage | 5C4 | 00 | \$6.1459 | 1.1325 | \$6.9601 | NA | 3.7576 | NA | NA | NA | \$26.1532 | NA | \$26.1532 |
| Aerial Ca - Fiber - Building Entrance | 812C | 00 | \$0.0000 | 1.0235 | \$0.0000 | NA | 3.9802 | NA | NA | NA | \$0.0000 | NA | \$0.0000 |
| Aerial Ca - Fiber | 822C | 00 | \$8.1711 | 1.0235 | \$8.3629 | NA | 2.1716 | NA | NA | NA | \$18.1606 | NA | \$18.1606 |
| Buried Ca - Fiber | 845C | 00 | \$9.0599 | 1.0578 | \$9.5836 | NA | 3.6689 | NA | NA | NA | \$35.1610 | NA | \$35.1610 |
| Underground Ca - Fiber | 85C | 00 | \$1.7861 | 0.9933 | \$1.7742 | NA | 1.9277 | NA | NA | NA | \$3.4200 | NA | \$3.4200 |
| | | | | | | | | | | | \$897.7672 | | \$905.5306 |

Tennessee
2-Wire Voice Grade Loop

| | A=Prev Page Col G | | B | C=AxB | D | E=AxD | F | G=AxF | H | I=AxH | |
|--|----------------------|----------------|-------------------|--------------------|------------------------|------------------------|----------------------------|--------------------|------------------------|-----------------------|---------------------------|
| <u>Description</u> | <u>FRC</u> | <u>Sub FRC</u> | <u>Investment</u> | <u>Land Factor</u> | <u>Land Investment</u> | <u>Building Factor</u> | <u>Building Investment</u> | <u>Pole Factor</u> | <u>Pole Investment</u> | <u>Conduit Factor</u> | <u>Conduit Investment</u> |
| Aerial Ca - Metal - Building Entrance | 12C | 00 | \$0.0189 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Aerial Ca - Metal - Building Entrance 24-Guage | 12C4 | 00 | \$0.0287 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Aerial Ca - Metal | 22C | 00 | \$16.4393 | NA | \$0.0000 | NA | \$0.0000 | 0.3217 | \$5.2893 | NA | \$0.0000 |
| Aerial Ca - Metal - Drop | 22C | 01 | \$19.8198 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Aerial Ca - Metal 24-Guage | 22C4 | 00 | \$109.9577 | NA | \$0.0000 | NA | \$0.0000 | 0.3217 | \$35.3784 | NA | \$0.0000 |
| Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP | 257C | 03 | \$15.7861 | 0.0045 | \$0.0709 | 0.1163 | \$1.8354 | NA | \$0.0000 | NA | \$0.0000 |
| Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP | 257C | 06 | \$33.8211 | 0.0045 | \$0.1519 | 0.1163 | \$3.9323 | NA | \$0.0000 | NA | \$0.0000 |
| Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock | 257C | 12 | \$10.0296 | 0.0045 | \$0.0451 | 0.1163 | \$1.1661 | NA | \$0.0000 | NA | \$0.0000 |
| Digitl Circ - Pair Gain - Prem - Hardwired - Power Only | 257C | 19 | \$0.0087 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only | 257C | 22 | \$0.0100 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock | 257C | 28 | \$0.0350 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Digitl Circ - Pair Gain - Remote - Hardwired - Power Only | 257C | 37 | \$131.1680 | 0.0045 | \$0.5892 | 0.1163 | \$15.2506 | NA | \$0.0000 | NA | \$0.0000 |
| Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only | 257C | 40 | \$56.9091 | 0.0045 | \$0.2556 | 0.1163 | \$6.6167 | NA | \$0.0000 | NA | \$0.0000 |
| Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock | 257C | 46 | \$43.4263 | 0.0045 | \$0.1951 | 0.1163 | \$5.0491 | NA | \$0.0000 | NA | \$0.0000 |
| Digital Elec Switch - MDF | 377C | 05 | \$4.9884 | 0.0045 | \$0.0224 | 0.1163 | \$0.5800 | NA | \$0.0000 | NA | \$0.0000 |
| Buried Ca - Metal | 45C | 00 | \$44.9364 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Buried Ca - Metal - Drop | 45C | 01 | \$49.8456 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Buried Ca - Metal 24-Guage | 45C4 | 00 | \$264.2141 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Intrbld Network - Metal | 52C | 00 | \$2.2074 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Intrbld Network - Metal 24-Guage | 52C4 | 00 | \$0.2350 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Underground Ca - Metal | 5C | 00 | \$18.7506 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | 0.8282 | \$15.5286 |
| Underground Ca - Metal 24-Guage | 5C4 | 00 | \$26.1532 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | 0.8282 | \$21.6593 |
| Aerial Ca - Fiber - Building Entrance | 812C | 00 | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Aerial Ca - Fiber | 822C | 00 | \$18.1606 | NA | \$0.0000 | NA | \$0.0000 | 0.3217 | \$5.8431 | NA | \$0.0000 |
| Buried Ca - Fiber | 845C | 00 | \$35.1610 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Underground Ca - Fiber | 85C | 00 | \$3.4200 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | 0.8282 | \$2.8323 |
| | | | | FRC 20C: | \$1.3302 | FRC 10C: | \$34.4301 | FRC 1C: | \$46.5107 | FRC 4C: | \$40.0203 |

**Tennessee
2-Wire Voice Grade Loop**

| | | A | B=AxFactor | C=AxFactor | D=AxFactor | E=AxFactor | F=AxFactor | I=(B+C+D +E+F) |
|---------------------------------------|------------|-------------------|--------------------------------------|-------------------------------|-----------------------------|---------------------------------|---------------------------------|------------------------|
| | | | | | | Plant | | |
| | | | | Cost of | Income | Specific | Ad Valorem | |
| <u>Description</u> | <u>FRC</u> | <u>Investment</u> | <u>Depreciation & Factor</u> | <u>Money & Factor</u> | <u>Tax & Factor</u> | <u>Expense & Factor</u> | <u>Expense & Factor</u> | <u>Direct Cost</u> |
| Buildings - COE | 10C | \$34.4301 | \$0.7217 | \$3.0750 | \$1.4587 | \$2.5550 | \$0.3119 | \$8.1223 |
| | | | 0.0210 | 0.0893 | 0.0424 | 0.0742 | 0.0091 | |
| Aerial Ca - Metal - Building Entrance | 12C | \$0.0476 | \$0.0037 | \$0.0032 | \$0.0015 | \$0.0018 | \$0.0004 | \$0.0106 |
| | | | 0.0775 | 0.0669 | 0.0317 | 0.0382 | 0.0091 | |
| Poles | 1C | \$46.5107 | \$2.0397 | \$3.3622 | \$1.5949 | \$1.4287 | \$0.4213 | \$8.8469 |
| | | | 0.0439 | 0.0723 | 0.0343 | 0.0307 | 0.0091 | |
| Land - COE | 20C | \$1.3302 | \$0.0000 | \$0.1496 | \$0.0710 | \$0.0000 | \$0.0120 | \$0.2326 |
| | | | 0.0000 | 0.1125 | 0.0534 | 0.0000 | 0.0091 | |
| Aerial Ca - Metal | 22C | \$126.3970 | \$9.7938 | \$8.4508 | \$4.0088 | \$4.8323 | \$1.1449 | \$28.2306 |
| | | | 0.0775 | 0.0669 | 0.0317 | 0.0382 | 0.0091 | |
| Aerial Ca - Metal - Drop | 22C | \$19.8198 | \$1.5357 | \$1.3251 | \$0.6286 | \$0.7577 | \$0.1795 | \$4.4267 |
| | | | 0.0775 | 0.0669 | 0.0317 | 0.0382 | 0.0091 | |
| Digitl Circ - Pair Gain | 257C | \$291.1940 | \$32.6962 | \$14.2920 | \$6.7796 | \$5.0808 | \$2.6376 | \$61.4862 |
| | | | 0.1123 | 0.0491 | 0.0233 | 0.0174 | 0.0091 | |
| Digital Elec Switch | 377C | \$4.9884 | \$0.4919 | \$0.2561 | \$0.1215 | \$0.1412 | \$0.0452 | \$1.0559 |
| | | | 0.0986 | 0.0513 | 0.0244 | 0.0283 | 0.0091 | |
| Buried Ca - Metal | 45C | \$309.1505 | \$22.2237 | \$20.8652 | \$9.8977 | \$8.4921 | \$2.8002 | \$64.2789 |
| | | | 0.0719 | 0.0675 | 0.0320 | 0.0275 | 0.0091 | |
| Buried Ca - Metal - Drop | 45C | \$49.8456 | \$3.5832 | \$3.3642 | \$1.5958 | \$1.3692 | \$0.4515 | \$10.3639 |
| | | | 0.0719 | 0.0675 | 0.0320 | 0.0275 | 0.0091 | |
| Conduit Systems | 4C | \$40.0203 | \$0.4731 | \$3.2942 | \$1.5626 | \$0.0582 | \$0.3625 | \$5.7506 |

**Tennessee
2-Wire Voice Grade Loop**

| | | A | B=AxFactor | C=AxFactor | D=AxFactor | E=AxFactor | F=AxFactor | I=(B+C+D +E+F) |
|---------------------------------------|------------|---------------------|--------------------------------------|---|--|--|--|------------------------|
| <u>Description</u> | <u>FRC</u> | <u>Investment</u> | <u>Depreciation & Factor</u> | <u>Cost of Money & Factor</u> | <u>Income Tax & Factor</u> | <u>Plant Specific Expense & Factor</u> | <u>Ad Valorem Expense & Factor</u> | <u>Direct Cost</u> |
| | | | 0.0118 | 0.0823 | 0.0390 | 0.0015 | 0.0091 | |
| Intrbld Network - Metal | 52C | \$2.4424 | \$0.1413 | \$0.1625 | \$0.0771 | \$0.0031 | \$0.0221 | \$0.4062 |
| | | | 0.0579 | 0.0665 | 0.0316 | 0.0013 | 0.0091 | |
| Underground Ca - Metal | 5C | \$44.9038 | \$3.5283 | \$2.9997 | \$1.4229 | \$0.7801 | \$0.4067 | \$9.1377 |
| | | | 0.0786 | 0.0668 | 0.0317 | 0.0174 | 0.0091 | |
| Aerial Ca - Fiber - Building Entrance | 812C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0600 | 0.0665 | 0.0316 | 0.0081 | 0.0091 | |
| Aerial Ca - Fiber | 822C | \$18.1606 | \$1.0890 | \$1.2085 | \$0.5733 | \$0.1479 | \$0.1645 | \$3.1832 |
| | | | 0.0600 | 0.0665 | 0.0316 | 0.0081 | 0.0091 | |
| Buried Ca - Fiber | 845C | \$35.1610 | \$1.9422 | \$2.3647 | \$1.1217 | \$0.0930 | \$0.3185 | \$5.8402 |
| | | | 0.0552 | 0.0673 | 0.0319 | 0.0026 | 0.0091 | |
| Underground Ca - Fiber | 85C | \$3.4200 | \$0.1960 | \$0.2264 | \$0.1074 | \$0.0168 | \$0.0310 | \$0.5776 |
| | | | 0.0573 | 0.0662 | 0.0314 | 0.0049 | 0.0091 | |
| | | <u>\$1,027.8219</u> | | | | | | <u>\$211.9502</u> |
| Monthly Cost(Total / 12): | | | | | | | | \$17.6625 |

**Tennessee
2-Wire Voice Grade Loop**

| | | A | B=Prev Rpt Col I | C | D=AxC | E=B+D |
|---------------------------------------|------------|-------------------|------------------------|-----------------------------------|------------------------|------------------------|
| <u>Description</u> | <u>FRC</u> | <u>Investment</u> | <u>Direct Cost</u> | <u>Shared Cost Factor</u> | <u>Shared Cost</u> | <u>ir. & Shrd.</u> |
| Buildings - COE | 10C | \$34.4301 | \$8.1223 | 0.0001 | \$0.0037 | \$8.1260 |
| Aerial Ca - Metal - Building Entrance | 12C | \$0.0476 | \$0.0106 | 0.0277 | \$0.0013 | \$0.0120 |
| Poles | 1C | \$46.5107 | \$8.8469 | 0.0137 | \$0.6386 | \$9.4855 |
| Land - COE | 20C | \$1.3302 | \$0.2326 | 0.0000 | \$0.0000 | \$0.2326 |
| Aerial Ca - Metal | 22C | \$126.3970 | \$28.2306 | 0.0277 | \$3.4987 | \$31.7293 |
| Aerial Ca - Metal - Drop | 22C | \$19.8198 | \$4.4267 | 0.0277 | \$0.5486 | \$4.9753 |
| Digtl Circ - Pair Gain | 257C | \$291.1940 | \$61.4862 | 0.0171 | \$4.9838 | \$66.4700 |
| Digital Elec Switch | 377C | \$4.9884 | \$1.0559 | 0.0167 | \$0.0832 | \$1.1392 |
| Buried Ca - Metal | 45C | \$309.1505 | \$64.2789 | 0.0246 | \$7.5915 | \$71.8704 |
| Buried Ca - Metal - Drop | 45C | \$49.8456 | \$10.3639 | 0.0246 | \$1.2240 | \$11.5880 |
| Conduit Systems | 4C | \$40.0203 | \$5.7506 | 0.0098 | \$0.3924 | \$6.1430 |

Recurring Direct Shared Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Tennessee
2-Wire Voice Grade Loop**

| | | A | B=Prev Rpt Col I | C | D=AxC | E=B+D |
|---------------------------------------|------------|-------------------|------------------------|-----------------------------------|------------------------|------------------------|
| <u>Description</u> | <u>FRC</u> | <u>Investment</u> | <u>Direct Cost</u> | <u>Shared Cost Factor</u> | <u>Shared Cost</u> | <u>ir. & Shrd.</u> |
| Intrbid Network - Metal | 52C | \$2.4424 | \$0.4062 | 0.0135 | \$0.0329 | \$0.4391 |
| Underground Ca - Metal | 5C | \$44.9038 | \$9.1377 | 0.0191 | \$0.8570 | \$9.9947 |
| Aerial Ca - Fiber - Building Entrance | 812C | \$0.0000 | \$0.0000 | 0.0219 | \$0.0000 | \$0.0000 |
| Aerial Ca - Fiber | 822C | \$18.1606 | \$3.1832 | 0.0219 | \$0.3968 | \$3.5801 |
| Buried Ca - Fiber | 845C | \$35.1610 | \$5.8402 | 0.0151 | \$0.5321 | \$6.3723 |
| Underground Ca - Fiber | 85C | \$3.4200 | \$0.5776 | 0.0177 | \$0.0604 | \$0.6379 |
| | | \$1,027.8219 | \$211.9502 | | \$20.8452 | \$232.7954 |
| Monthly Costs (Total / 12): | | | \$17.6625 | | \$1.7371 | \$19.3996 |

11/6/2001

Recurring Cost Summary

Primary Res. and Single Line Bus.

**Tennessee
Exchange Port - 2-Wire Line Port**

| <u>Description</u> | <u>Volume Sensitive</u> | | | <u>Volume Insensitive</u> | | |
|-------------------------------------|-------------------------|------------------------|-------------------------|---------------------------|------------------------|-------------------------|
| | <u>Direct Cost</u> | <u>Shared Cost</u> | <u>Dir. & Shrd.</u> | <u>Direct Cost</u> | <u>Shared Cost</u> | <u>Dir. & Shrd.</u> |
| Recurring Cost Development Reports | \$1.1643 | \$0.0810 | \$1.2453 | \$0.0783 | \$0.0000 | \$0.0783 |
| LABOR EXPENSES: | | | | | | |
| OTHER EXPENSES: | | | | | | |
| Total Monthly Cost | <u>\$1.1643</u> | <u>\$0.0810</u> | <u>\$1.2453</u> | <u>\$0.0783</u> | <u>\$0.0000</u> | <u>\$0.0783</u> |
| Gross Receipts Tax Factor | | X | <u>1.0000</u> | | X | <u>1.0000</u> |
| Cost (Including Gross Receipts Tax) | | | <u>\$1.2453</u> | | | <u>\$0.0783</u> |
| Common Cost Factor | | X | <u>1.0000</u> | | X | <u>1.0000</u> |
| Monthly Economic Cost | | | <u>\$1.2453</u> | | | <u>\$0.0783</u> |

Total Monthly Economic Cost: \$1.3236

11/6/2001

Investment Development - Volume Sensitive

Primary Res. and Single Line Bus

Tennessee
Exchange Port - 2-Wire Line Port

| | | A | B | C=AxB | D1 | D2 | D3 | D4 | D5 | E=Cx(D1xD2 x...xD5) | F | G=ExF | |
|---|------|------------|-----------|---------------------|----------------------|--------------------------------|-----------------|-----------------|-------------------|------------------------|------------------------|--|---------------------|
| Description | FRC | Sub FRC | Material | Inflation Factor | Adjusted Material | In-Plant Factors (Default = 1) | | | | | In-Plant Investment | Supporting Equipment &/or Power Loading | Total Investment |
| | | | | | | Plug-in Inventory Factor | Mat'l Factor | Telco Factor | Plug-in Factor | Hardwire Factor | | | |
| | | | | | | | | | | | | | |
| Digital Elec Switch - Vendor EF&I - MCEP | 377C | 03 | \$45.1102 | 1.0338 | \$46.6336 | NA | NA | 1.1205 | NA | NA | \$52.2528 | 1.1146 | \$58.2393 |
| Digital Elec Switch - MDF | 377C | 05 | \$0.0000 | 1.0338 | \$0.0000 | NA | 1.3120 | NA | NA | NA | \$0.0000 | 1.1146 | \$0.0000 |
| Intangibles - Network Switch Software RTU | 560C | 00 | \$0.0000 | NA | \$0.0000 | NA | NA | NA | NA | NA | \$0.0000 | NA | \$0.0000 |
| | | | | | | | | | | | \$52.2528 | | \$58.2393 |

11/6/2001

Land, Building, Pole, and Conduit Investment Development - Volume Sensitive

Primary Res. and Single Line Bus

Tennessee
Exchange Port - 2-Wire Line Port

A=Prev Page
Col G

B

C=AxB

D

E=AxD

F

G=AxF

H

I=AxH

| <u>Description</u> | <u>FRC</u> | <u>Sub FRC</u> | <u>Investment</u> | <u>Land Factor</u> | <u>Land Investment</u> | <u>Building Factor</u> | <u>Building Investment</u> | <u>Pole Factor</u> | <u>Pole Investment</u> | <u>Conduit Factor</u> | <u>Conduit Investment</u> |
|---|------------|----------------|-------------------|--------------------|------------------------|------------------------|----------------------------|--------------------|------------------------|-----------------------|---------------------------|
| Digital Elec Switch - Vendor EF&I - MCEP | 377C | 03 | \$58.2393 | 0.0045 | \$0.2616 | 0.1163 | \$6.7713 | NA | \$0.0000 | NA | \$0.0000 |
| Digital Elec Switch - MDF | 377C | 05 | \$0.0000 | 0.0045 | \$0.0000 | 0.1163 | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Intangibles - Network Switch Software RTU | 560C | 00 | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| | | | | FRC 20C: | <u>\$0.2616</u> | FRC 10C: | <u>\$6.7713</u> | FRC 1C: | <u>\$0.0000</u> | FRC 4C: | <u>\$0.0000</u> |

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

Tennessee
Exchange Port - 2-Wire Line Port

| | | A | B=AxFactor | C=AxFactor | D=AxFactor | E=AxFactor | F=AxFactor | I=(B+C+D +E+F) |
|--|--|---|------------|------------|------------|------------|------------|-------------------|
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Tennessee
Exchange Port - 2-Wire Line Port**

| | | A | B=Prev Rpt Col I | C | D=AxC | E=B+D |
|--|--|---|---------------------|---|-------|-------|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

11/6/2001

Investment Development - Volume Insensitive

Primary Res and Single Line Bus

Tennessee
Exchange Port - 2-Wire Line Port

| | | A | B | C=AxB | D1 | D2 | D3 | D4 | D5 | E=Cx(D1xD2 x...xD5) | F | G=ExF | |
|---|------|--------------------------------|----------|---------------------|----------------------|--------------------------------|-----------------|-----------------|-------------------|------------------------|------------------------|--|---------------------|
| | | In-Plant Factors (Default = 1) | | | | | | | | | | Supporting Equipment &/or Power Loading | Total Investment |
| Description | FRC | Sub FRC | Material | Inflation Factor | Adjusted Material | Plug-in Inventory Factor | Mat'l Factor | Telco Factor | Plug-in Factor | Hardwire Factor | In-Plant Investment | | |
| Digital Elec Switch - Vendor EF&I - MCEP | 377C | 03 | \$0.0000 | 1.0338 | \$0.0000 | NA | NA | 1.1205 | NA | NA | \$0.0000 | 1.1146 | \$0.0000 |
| Digital Elec Switch - MDF | 377C | 05 | \$0.0000 | 1.0338 | \$0.0000 | NA | 1.3120 | NA | NA | NA | \$0.0000 | 1.1146 | \$0.0000 |
| Intangibles - Network Switch Software RTU | 560C | 00 | \$2.2379 | NA | \$2.2379 | NA | NA | NA | NA | NA | \$2.2379 | NA | \$2.2379 |
| | | | | | | | | | | | \$2.2379 | | \$2.2379 |

11/6/2001

Land, Building, Pole, and Conduit Investment Development - Volume Insensitive

Primary Res. and Single Line Bus

Tennessee
Exchange Port - 2-Wire Line Port

A=Prev Page
Col G

B C=AxB D E=AxD F G=AxF H I=AxH

| <u>Description</u> | <u>FRC</u> | <u>Sub FRC</u> | <u>Investment</u> | <u>Land Factor</u> | <u>Land Investment</u> | <u>Building Factor</u> | <u>Building Investment</u> | <u>Pole Factor</u> | <u>Pole Investment</u> | <u>Conduit Factor</u> | <u>Conduit Investment</u> |
|---|------------|----------------|-------------------|--------------------|------------------------|------------------------|----------------------------|--------------------|------------------------|-----------------------|---------------------------|
| Digital Elec Switch - Vendor EF&I - MCEP | 377C | 03 | \$0.0000 | 0.0045 | \$0.0000 | 0.1163 | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Digital Elec Switch - MDF | 377C | 05 | \$0.0000 | 0.0045 | \$0.0000 | 0.1163 | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| Intangibles - Network Switch Software RTU | 560C | 00 | \$2.2379 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 | NA | \$0.0000 |
| | | | | FRC 20C: | \$0.0000 | FRC 10C: | \$0.0000 | FRC 1C: | \$0.0000 | FRC 4C: | \$0.0000 |

11/6/2001

Recurring Direct Cost Development - Volume Insensitive

Primary Res. and Single Line Bus.

Tennessee
Exchange Port - 2-Wire Line Port

| <u>Description</u> | <u>FRC</u> | <u>Investment</u> | <div style="display: flex; justify-content: space-between; font-size: small;"> A B=AxFactor C=AxFactor D=AxFactor E=AxFactor </div> | | | | | <div style="font-size: small;">I=(B+C+D +E+F)</div> |
|---|------------|-------------------|--|---|--|--|--|---|
| | | | <u>Depreciation & Factor</u> | <u>Cost of Money & Factor</u> | <u>Income Tax & Factor</u> | <u>Plant Specific Expense & Factor</u> | <u>Ad Valorem Expense & Factor</u> | <u>Direct Cost</u> |
| Land - COE | 20C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0000 | 0.1125 | 0.0534 | 0.0000 | 0.0091 | |
| Buildings - COE | 10C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0210 | 0.0893 | 0.0424 | 0.0742 | 0.0091 | |
| Poles | 1C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0439 | 0.0723 | 0.0343 | 0.0307 | 0.0091 | |
| Conduit Systems | 4C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0118 | 0.0823 | 0.0390 | 0.0015 | 0.0091 | |
| Digital Elec Switch | 377C | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |
| | | | 0.0986 | 0.0513 | 0.0244 | 0.0283 | 0.0091 | |
| Intangibles - Network Switch Software RTU | 560C | \$2.2379 | \$0.7460 | \$0.1175 | \$0.0557 | \$0.0000 | \$0.0203 | \$0.9394 |
| | | | 0.3333 | 0.0525 | 0.0249 | NA | 0.0091 | |
| | | <u>\$2.2379</u> | | | | | | <u>\$0.9394</u> |
| Monthly Cost(Total / 12): | | | | | | | | \$0.0783 |

Recurring Cost Development - Volume Insensitive

Primary Res. and Single Line Bus.

Tennessee
Exchange Port - 2-Wire Line Port

| | | A | B=Prev Rpt Col I | C | D=AxC | E=B+D |
|---|------------|-------------------|------------------------|-----------------------------------|------------------------|------------------------|
| <u>Description</u> | <u>FRC</u> | <u>Investment</u> | <u>Direct Cost</u> | <u>Shared Cost Factor</u> | <u>Shared Cost</u> | <u>ir. & Shrd.</u> |
| Land - COE | 20C | \$0.0000 | \$0.0000 | 0.0000 | \$0.0000 | \$0.0000 |
| Buildings - COE | 10C | \$0.0000 | \$0.0000 | 0.0001 | \$0.0000 | \$0.0000 |
| Poles | 1C | \$0.0000 | \$0.0000 | 0.0137 | \$0.0000 | \$0.0000 |
| Conduit Systems | 4C | \$0.0000 | \$0.0000 | 0.0098 | \$0.0000 | \$0.0000 |
| Digital Elec Switch | 377C | \$0.0000 | \$0.0000 | 0.0167 | \$0.0000 | \$0.0000 |
| Intangibles - Network Switch Software RTU | 560C | \$2.2379 | \$0.9394 | NA | \$0.0000 | \$0.9394 |
| | | <u>\$2.2379</u> | <u>\$0.9394</u> | | <u>\$0.0000</u> | <u>\$0.9394</u> |
| Monthly Costs (Total / 12): | | | \$0.0783 | | \$0.0000 | \$0.0783 |